Settlement of border dispute between India and China

*275. SHRIMATI OMEM MOYONG DEORI:
SHRI PARVATHANENI UPENDRA:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether there has been any breakthrough in the recent border talks with China;

(b) if not, what are the factors which are coming in the way of a settlement of the border dispute; and

(c) what action Government propose to take to resolve this long-standing dispute between India and China?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K.R. NARAYANAN): (a) At the 7th Round of Official Level Talks between India and China, held in Beijing, from July 21 to 23, 1986, substantive discussions were continued on the Eastern Sector of India-China Boundary. Thereafter, discussions commenced on the Western Sector.

(b) The Chinese side reiterated that the Eastern Sector was the area of "largest dispute". In response, the Indian side clearly enunciated our stand and that the India-China boundary in the Eastern Sector is the traditional customary line which is well-know and which has in addition received sanction by treaty and administrative jurisdiction.

(c) Government intend to continue discussion on this question during the next round of official level talks with China with a view to reaching a just and comprehensive settlement covering all sectors of the boundary.

Posting of Intelligence Officers from Britain to check drug smuggling

*276. SHRI PARVATHANENI UPENDRA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that Government have agreed to the posting of two Intelligence Officers from Britain for a crackdown on drug smuggling; and

(b) if so, whether similar arrangements have been made with any other country to stop trafficking in drug in the country?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K.R. NARAYANAN): (a) Government have approved, in principle, a British liaison presence in India for combatting traffic in drugs and narcotics.

(b) Government have an established arrangement with USA. Regular contacts are also maintained with several other countries to combat the drug menance.

Proposal for amendment of Assam Tea Plantation Labour Act, 1956

*277. SHRI PRITHIBI MAJHI: Will the Minister of LABOUR be pleased to state:

(a) whether Government have received any proposal from the Government of Assam for amendment of the Assam Tea Plantation Labour Act, 1956; and

(b) if so, what action has been taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P. A. SANGMA): (a) and (b) Central Government received certain proposals from the Government of Assam for amendment to the Plantation Labour Act, 1951. These proposals have been referred to the Sub-Committee set up by the Industrial Committee on Plantations for considering amendments to he Plantation Labour Act and Model Rules framed thereunder. The Sub-Committee has taken note of the suggestions of the State Government.

Issue of bonds by public sector companies

*278. SHRI N. E. BALARAM:
SHRIMATI KRISHNA KAUL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken a decision to allow public sector companies to issue bonds to raise capital; and

(b) if so, what are the details thereof?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) A copy of the Press Release issued on the 15th July, 1986 is attached. (*See* below).

PRESS RELEASE

(COPY)

No. S. 11(16)-CCI(II)|86

Government of India

MINISTRY OF FINANCE

Office of the Controller of Capital Issues

SUBJECT : *Issue of "Tax Free" Bonds by Public Sector Enterprises*

Government had issued guidelines regarding floatation of bonds by public sector undertakings in the Telecommunications and Power Sectors in the last financial year. In the Budget Speech this year, the Finance Minister had announced that Government will introduce another series of public sector bonds with a tax free return.

2. In pursuance of this, it has been decided to allow Government, corporate bodies, as may be permitted by the Government, to issue bonds for setting up of new projects, expansion or diversification of existing projects, capital expenditure for modernisation or for augmenting the resources of the company for working capital requirements, subject to Government's clearance. This series will be in addition to the earlier series of Power and Telecom Bonds.

3. In the new series the interest rate shall be upto a maximum of 10 per cent. The period of redemption will normally be upto 10 years, which could be increased in suitable cases. However, the interest rate and period of redemption shall be approved by the Government on a case-by-case basis. The income from these bonds shall be completely free from income tax. The bonds will be exempt from Wealth Tax without any limit. They will be transferable by endorsement and delivery. Decision on quantum etc. will be taken by the Ministry of Finance on a case-by-case basis.

New Delhi, the 15th July, 1986.

Borrowing by the Corporate Sector

*279. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) what are the details of borrowings during the last three years from public sector financial institutions and banks by the Corporate Sector and what are the details about the companies which have borrowed more than Rs. 25 crores during the last three years for capital expenditure; and

(b) what are the details about those companies falling under 'monopoly' definition who have borrowed nothing from financial institutions and banks during the last three years for capital expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The details of project finance assistance sanctioned by the financial institutions during the last three years to the corporate